FILED WITH LRC
TIME: 10 a.m.

JUN 14 2019

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REGULATIONS COMPILER

STATEMENT OF EMERGENCY

907 KAR 3:170E

This emergency administrative regulation is being promulgated to implement comprehensive telehealth policy changes that will allow for a provider to receive Medicaid reimbursement for any appropriate telehealth service that is within the provider's scope of practice and licensure. This emergency administrative regulation is needed pursuant to KRS 13A.190(1)(a)2. to prevent a loss of federal and state funds and pursuant to KRS 13A.190(1)(a)4. to protect human health. This emergency administrative regulation shall be replaced by an ordinary administrative regulation. This emergency administrative regulation has the same number as an administrative regulation filed within the previous nine (9) months. This administrative regulation differs from the administrative regulation filed within the previous nine (9) months by including a new definition for "place of service"; excluding asynchronous store and forward technology from the definition of telehealth; requiring that telehealth services provided be within a provider's scope of professional licensure and practice; allowing store and forward transfers only for radiology services; removing overly broad references to "other healthcare activity" as allowable for telehealth service reimbursement; clarifying referral requirements for telehealth services; clarifying certain medical record documenting requirements; implementing a telehealth service reimbursement requirement that is at least 100 percent of the amount paid for a comparable in-person service; clarifying that telehealth services are subject to cost-sharing; ensuring that medical record requirements comply with existing Medicaid law; making drafting and formatting changes to comply with KRS Chapter 13A; and establishing an implementation date of July 1, 2019. The amendments were necessary to incorporate changes requested by multiple stakeholders, and to ensure that Kentucky's provider networks are capable of meeting anticipated recipient need following the implementation of an SUD 1115 Waiver that is part of the Kentucky HEALTH 1115 Waiver project and ongoing substance use disorder treatment standard enhancements required by the 2018 Regular Session's HB 124. The ordinary administrative regulation is not identical to this emergency administrative regulation, as this emergency administrative regulation includes an additional Section 7 to establish an implementation date of July 1, 2019.

Matthew G. Bevin

Governor

Adam M. Meier, Secretary

Cabinet for Health and Family Services

- 1 CABINET FOR HEALTH AND FAMILY SERVICES
- 2 Department for Medicaid Services
- 3 Division of Policy and Operations
- 4 (Emergency Amendment)
- 5 907 KAR 3:170E. Telehealth <u>service[consultation]</u> coverage and reimbursement.
- 6 RELATES TO: KRS 194A.060, 194A.125, 205.510(15), 205.559, 205.560, 422.317,
- 7 434.840-434.860, 42 C.F.R. 415.174, 415.184, 431.300-431.307, 440.50
- 8 STATUTORY AUTHORITY: KRS 194A.030(2), 194A.050(1), 205.520(3), 205.559(2), (7),
- 9 205.560
- NECESSITY, FUNCTION, AND CONFORMITY: In accordance with KRS 194A.030(2),
- the Cabinet for Health and Family Services, Department for Medicaid Services, has responsibil-
- ity to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administra-
- 13 tive regulation, to comply with any requirement that may be imposed or opportunity presented
- by federal law to qualify for federal Medicaid funds. KRS 205.559 establishes the requirements
- regarding Medicaid reimbursement of telehealth providers and KRS 205.559(2) and (7) require
- 16 the cabinet to promulgate an administrative regulation relating to telehealth ser-
- 17 <u>vices[consultations]</u> and reimbursement. This administrative regulation establishes the Depart-
- ment for Medicaid Services' coverage and reimbursement policies relating to telehealth ser-
- 19 <u>vices[consultations]</u> in accordance with KRS 205.559.
- Section 1. Definitions. (1) ["Advanced practice registered nurse" or "APRN" is defined by
- 21 KRS 314.011(7).

- 1 (2) "Certified nutritionist" is defined by KRS 310.005(12).
- 2 (3) "Chiropractor" is defined by KRS 312.015(3).
- 3 (4) "Community mental health center" or "CMHC" means a facility that provides a compre-
- 4 hensive range of mental health services to Medicaid recipients of a designated area in accordance
- 5 with KRS 210.370 to 210.485.
- 6 (5)] "Department" means the Department for Medicaid Services or its designated agent.
- 7 (2)[(6) "Diabetes self-management training consultation" means the ongoing process of facili-
- 8 tating the knowledge, skill, and ability necessary for diabetes self-care.
- 9 (7) "Direct physician contact" means that the billing physician is physically present with and
- 10 evaluates, examines, treats, or diagnoses the recipient.
- 11 (8) "Encounter" means one (1) visit by a recipient to a telehealth spoke site where the recipi-
- 12 ent receives a telehealth consultation in real time, during the visit, from a telehealth provider or
- 13 telehealth practitioner at a telehealth hub-site.
- 14 (9) "Face-to-face" means[, except as established in Section 4(4)(g) of this administrative reg-
- 15 ulation]:
- 16 (a) In person; and
- 17 (b) Not via telehealth.
- 18 (3)[(10)] "Federal financial participation" is defined by[in] 42 C.F.R. 400.203.
- 19 (4)[(11) "GT modifier" means a modifier that identifies a telehealth consultation which is ap-
- 20 proved by the healthcare common procedure coding system (HCPCS).
- 21 (12) "Health care provider" means a Medicaid provider who is:
- 22 (a) Currently enrolled as a Medicaid provider in accordance with 907 KAR 1:672; and
- 23 (b) Currently participating as a Medicaid provider in accordance with 907 KAR 1:671.

- 1 (13) "Hub site" means a telehealth site:
- 2 (a) Where the telehealth provider or telehealth practitioner performs telehealth; and
- 3 (b) That is considered the place of service.
- 4 (14) "Legally authorized representative" means a Medicaid recipient's parent or guardian if a
- 5 recipient is a minor child, or a person with power of attorney for a recipient.
- 6 (15) "Licensed clinical social worker" means an individual meeting the licensure requirements
- 7 established in KRS-335.100.
- 8 (16) "Licensed dietitian" is defined by KRS 310.005(11).
- 9 (17) "Licensed marriage and family therapist" is defined by KRS 335.300(2).
- 10 (18) "Licensed professional clinical counselor" is defined by KRS 335.500(3).
- 11 (19)] "Medical necessity" or "medically necessary" means a covered benefit is determined to
- be needed in accordance with 907 KAR 3:130 or pursuant to the process established by KRS
- 13 304.38-240.
- 14 (5) "Place of service" means anywhere the patient is located at the time a telehealth service is
- provided, and includes telehealth services provided to a patient located at the patient's home or
- office, or a clinic, school, or workplace.
- (6) "Telehealth" is defined by KRS 205.510(15).
- 18 (7) "Telehealth care provider" means a Medicaid provider who is:
- (a) Currently enrolled as a Medicaid provider in accordance with 907 KAR 1:672;
- 20 (b) Currently participating as a Medicaid provider in accordance with 907 KAR 1:671;
- 21 (c) Operating within the scope of the provider's professional licensure; and
- 22 (d) Operating within the provider's scope of practice.
- 23 (8) "Telehealth service" means any service that is provided by telehealth and is one (1) of the

- 1 <u>following:</u>
- 2 <u>(a) Event;</u>
- 3 (b) Encounter;
- 4 (c) Consultation, including a telehealth consultation as defined by KRS 205.510(16);
- 5 (d) Visit;
- 6 (e) Store and forward transfer, for radiology services only;
- 7 (f) Remote patient monitoring;
- 8 (g) Referral; or
- 9 (h) Treatment.
- 10 [(20) "National Provider Identifier" or "NPI" means a standard unique health identifier for
- 11 health care providers which:
- 12 (a) Is required by 42 C.F.R. 455.440; and
- 13 (b) Meets the requirements of 45 C.F.R. 162.406.
- 14 (21) "Occupational therapist" is defined by KRS 319A.010(3).
- 15 (22) "Optometrist" means an individual licensed to engage in the practice of optometry in ac-
- 16 cordance with KRS 320.210(2).
- 17 (23) "Physical therapist" is defined by KRS 327.010(2).
- 18 (24) "Physician" is defined by KRS 311.550(12).
- 19 (25) "Physician assistant" is defined by KRS 311.840(3).
- 20 (26) "Psychologist" is defined by KRS 319.010(9).
- 21 (27) "Registered nurse" is defined by KRS 314.011(5).
- 22 (28) "Speech-language pathologist" is defined by KRS 334A.020(3).
- 23 (29) "Spoke site" means a telehealth site where the recipient receiving the telehealth consulta-

- 1 tion is located.
- 2 (30) "Telehealth consultation" is defined by KRS 205.510(15).
- 3 (31) "Telehealth practitioner" means an individual who is:
- 4 (a) Authorized to perform a telehealth consultation in accordance with this administrative
- 5 regulation;
- 6 (b) Employed by or is an agent of a telehealth provider; and
- 7 (c) Not the individual or entity who:
- 8 1. Bills the department for a telehealth consultation; or
- 9 2. Is reimbursed by the department for a telehealth consultation.
- 10 (32) "Telehealth provider" means a health care provider who:
- 11 (a) Performs a telehealth-consultation at a hub site; or
- 12 (b) Is the employer of or entity that contracts with a telehealth practitioner who performs a
- 13 telehealth-consultation:
- 14 1. At-a hub site; and
- 2. That is billed under the telehealth provider's national provider identifier.
- 16 (33) "Telehealth site" means a hub site or spoke site that has been approved as part of a tele-
- 17 health network established in accordance with KRS-194A.125.
- 18 (34) "Telepresenter" means an individual operating telehealth equipment at a spoke site to en-
- 19 able a recipient to receive a telehealth consultation.
- 20 (35) "Transmission-cost" means the cost-of the telephone line and related costs incurred dur-
- 21 ing the time of the transmission of a telehealth consultation.
- 22 (36) "Two (2) way interactive video" means a type of advanced telecommunications technol-
- 23 ogy that permits a real time telehealth consultation to take place between a recipient and a

- telepresenter at the spoke site and a telehealth provider or telehealth practitioner at the hub site.]
- Section 2. General Policies. (1)(a) Except as provided in paragraph (b) of this subsection, the
- 3 coverage policies established in this administrative regulation shall apply to:
- 4 1. Medicaid services for individuals not enrolled in a managed care organization; and
- 5 2. A managed care organization's coverage of Medicaid services for individuals enrolled in
- 6 the managed care organization for the purpose of receiving Medicaid or Kentucky Children's
- 7 Health Insurance Program services.
- 8 (b) A managed care organization shall [not be required to] reimburse the same amount for a
- 9 telehealth service[consultation] as the department reimburses unless a different payment rate is
- negotiated in accordance with Section 3(1)(a)2. of this administrative regulation[, but may reim-
- burse the same as the department reimburses if the managed care organization chooses to do so].
- (2) A telehealth <u>service[consultation]</u> shall not be reimbursed by the department if:
- (a) It is not medically necessary;
- 14 (b) The equivalent service is not covered by the department if provided in a face-to-face set-
- ting; or
- 16 (c) [It requires a face to face contact with a recipient in accordance with 42 C.F.R. 447.371;
- 17 (d) The telehealth <u>care</u> provider of the telehealth <u>service</u>[<u>consultation</u>] is:
- 1. Not currently enrolled in the Medicaid program pursuant to 907 KAR 1:672;
- 2. Not currently participating in the Medicaid program pursuant to 907 KAR 1:671;
- 20 3. Not in good standing with the Medicaid program;
- 4. Currently listed on the Kentucky DMS Provider Terminated and Excluded Provider List [of
- 22 Excluded Providers], which is available at
- 23 https://chfs.ky.gov/agencies/dms/dpi/pe/Pages/terminated.aspx[http://chfs.ky.gov/dms/provEnr];

- 1 or
- 5. Currently listed on the United States Department of Health and Human Services, Office of
- 3 Inspector General List of Excluded Individuals and Entities, which is available at
- 4 https://oig.hhs.gov/exclusions/[; or
- 5 (e) It is provided by a telehealth practitioner or telehealth provider not recognized or author-
- 6 ized by the department to provide the telehealth consultation or equivalent service in a face to
- 7 face setting].
- 8 (3)(a) [A telehealth provider shall:
- 9 1. Be an approved member of the Kentucky Telehealth Network; and
- 2. Comply with the standards and protocols established by the Kentucky Telehealth Board.
- (b) To become an approved member of the Kentucky Telehealth Network, a provider shall:
- 12 1. Send a written request to the Kentucky Telehealth Board requesting membership in the
- 13 Kentucky Telehealth Network; and
- 2. Be approved by the Kentucky Telehealth Board as a member of the Kentucky Telehealth
- 15 Network.
- 16 (4)(a) A telehealth consultation referenced in Section 3 or 4 of this administrative regulation
- shall be provided to the same extent and with the same coverage policies and restrictions that ap-
- 18 ply, except as established in Section 4(4)(g) and 4(5) of this administrative regulation to the
- 19 equivalent service if provided in a face-to-face setting.
- 20 (b) If a telehealth coverage policy or restriction is not stated in this administrative regulation
- 21 but is stated in another administrative regulation within Title 907 of the Kentucky Administrative
- 22 Regulations, the coverage policy or restriction stated elsewhere within Title 907 of the Kentucky
- 23 Administrative Regulations shall apply.

- 1 (5)(a)] A telehealth <u>service[consultation]</u> shall be subject to utilization review for:
- Medical necessity;
- 3 2. Compliance with this administrative regulation; and
- 4 3. Compliance with applicable state and federal law.
- 5 (b) The department shall not reimburse for a telehealth service if the department determines
- 6 that a telehealth <u>service[consultation]</u> is not:
- 7 <u>1. [Not]</u> Medically necessary:[, is not]
- 8 <u>2.</u> Compliant with this administrative regulation;
- 9 <u>3. Applicable to this administrative regulation;[=]</u> or [is not]
- 10 <u>4.</u> Compliant with applicable state or federal law[, the department shall not reimburse for the
- 11 telehealth consultation].
- (c) The department shall recoup the reimbursement for a previously reimbursed telehealth
- 13 <u>service</u> if the department determines that a telehealth <u>service</u> consultation that it has already re-
- 14 imbursed for was not:
- 15 1. Medically necessary; [, was-not]
- 2. Compliant with this administrative regulation;
- 3. Applicable to this administrative regulation; [5] or [was not]
- 18 <u>4.</u> Compliant with applicable state or federal law[, the department shall recoup the reim-
- bursement for the telehealth consultation from the provider.
- 20 (4) A telehealth service shall have the same referral requirements as a face-to-face service.
- 21 (5) Within forty-eight (48) hours of the telehealth service, a provider shall document within
- 22 the patient's medical record that a service was provided via telehealth, and follow all documenta-
- 23 <u>tion requirements established by Section 4 of this administrative regulation.</u>

- 1 [(6) A telehealth consultation shall require:
- 2 (a) The use of two (2) way interactive video;
- 3 (b) A referral by a health care provider; and
- 4 (c) A referral by a recipient's lock-in-provider if the recipient is locked in pursuant to:
- 5 1. 42 C.F.R. 431.54; and
- 6 2. 907 KAR 1:677.]
- Section 3. Telehealth Reimbursement. (1)(a)1. The department shall reimburse an eligible
- 8 telehealth care provider for a telehealth service in an amount that is at least 100 percent of the
- 9 amount paid for a comparable in-person service.
- 2. A managed care organization and provider may establish a different rate for telehealth re-
- imbursement via contract as allowed pursuant to KRS 205.5591(5).
- (b) A telehealth service reimbursed pursuant to this section shall be subject to cost-sharing
- 13 pursuant to 907 KAR 1:604.
- (2) A provider shall appropriately denote telehealth services by place of service, modifiers, or
- other means as designated by the department or as required in a managed care organization's
- 16 contract with the provider or member. Consultation Coverage in a Setting That is Not a Commu-
- 17 nity Mental Health Center. (1) The policies in this section shall apply to a telehealth consultation
- 18 provided in a setting that is not a community mental health center.
- 19 (2) The following telehealth consultations shall be covered by the department as follows:
- 20 (a) A physical health evaluation or management consultation provided by:
- 21 1. A physician including a physician:
- 22 a. With an individual physician practice;
- b. Who belongs to a group physician practice; or

- c. Who is employed by a federally-qualified health center, federally-qualified health center
- 2 look-alike, rural health clinic, or primary care center;
- 3 2. An advanced practice registered nurse including an advanced practice registered nurse:
- 4 a. With an individual advanced practice registered nurse practice;
- b. Who belongs to a group advanced practice registered nurse practice; or
- 6 c. Who is employed by a physician, federally qualified health center, federally qualified
- 7 health center look-alike, rural health clinic, or primary care center;
- 8 3. An optometrist; or
- 9 4. A chiropractor;
- 10 (b) A mental health evaluation or management service provided by:
- 11 1. A psychiatrist;
- 2. A physician in-accordance with the limit established in 907 KAR 3:005;
- 13 3. An APRN in accordance with the limit established in 907 KAR 1:102;
- 14 4. A psychologist:
- a: With a license in accordance with KRS 319.010(6);
- b. With a doctorate degree in psychology;
- 17 c. Who is directly employed by a psychiatrist; and
- 18 d. If:
- 19 (i) The psychiatrist by whom the psychologist is directly employed also interacts with the re-
- 20 cipient during the encounter; and
- 21 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psy-
- 22 chologist is directly employed;
- 23 5. A licensed professional clinical counselor:

- a. Who is directly employed by a psychiatrist; and 1 2 b. If: (i) The psychiatrist by whom the licensed professional clinical counselor is directly employed 3 4 also interacts with the recipient during the encounter; and 5 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the licensed professional clinical counselor is directly employed; 6 7 6. A licensed clinical social worker: a. Who is directly employed by a psychiatrist; and 8 b. If: 9 (i) The psychiatrist by whom the licensed-clinical social worker is directly employed also in-10 11 teracts with the recipient during the encounter; and (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-12 13 censed clinical social worker is directly employed; or 14 7. A licensed-marriage and family therapist: 15 a. Who is directly employed by a psychiatrist; and b. If: 16 (i) The psychiatrist by whom the licensed marriage and family therapist is directly employed 17 also interacts with the recipient during the encounter; and 18 19 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-20 censed marriage and family therapist is directly employed;
- 21 (c) Individual or group psychotherapy provided by:
- 22 1. A psychiatrist;
- 23 2. A physician in accordance with the limit established in 907 KAR 3:005;

- 3. An APRN in accordance with the limit established in 907 KAR 1:102;
- 2 4. A psychologist:
- a. With a license in accordance with KRS 319.010(6);
- 4 b. With a doctorate degree in psychology;
- 5 c. Who is directly employed by a psychiatrist; and
- 6 d. If:
- 7 (i) The psychiatrist by whom the psychologist is directly employed also interacts with the re-
- 8 cipient or recipients during the encounter; and
- 9 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psy-
- 10 chologist is directly employed;
- 5. A licensed professional clinical counselor:
- a. Who is directly employed by a psychiatrist; and
- 13 b. If:
- (i) The psychiatrist by whom the licensed professional clinical counselor is directly employed
- 15 also interacts with the recipient or recipients during the encounter; and
- 16 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-
- 17 censed professional clinical counselor is directly employed;
- 18 6. A licensed clinical social worker:
- 19 a. Who is directly employed by a psychiatrist; and
- 20 b. If:
- 21 (i) The psychiatrist by whom the licensed clinical social worker is directly employed also in-
- 22 teracts with the recipient or recipients during the encounter; and
- 23 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-

- 1 censed clinical social worker is directly employed; or
- 2 7. A licensed marriage and family therapist:
- a. Who is directly employed by a psychiatrist; and
- 4 b. If:
- 5 (i) The psychiatrist by whom the licensed marriage and family therapist is directly employed
- 6 also interacts with the recipient or recipients during the encounter; and
- 7 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-
- 8 censed marriage and family therapist is directly employed;
- 9 (d) Pharmacologic management provided by:
- 10 1: A physician in accordance with the limit established in 907-KAR 3:005;
- 2. An APRN in accordance with the limit established in 907-KAR 1:102; or
- 12 3. A psychiatrist;
- 13 (e) A psychiatric, psychological, or mental health diagnostic interview examination provided
- 14 by:
- 15 1. A psychiatrist;
- 2. A physician in accordance with the limit established in 907 KAR 3:005;
- 17 3. An APRN in accordance with the limit established in 907 KAR 1:102:
- 18 4. A psychologist:
- a. With a license in accordance with KRS 319.010(6);
- 20 b. With a doctorate degree in psychology;
- 21 c. Who is directly employed by a psychiatrist; and
- 22 d. If:
- 23 (i) The psychiatrist by whom the psychologist is directly employed also interacts with the re-

- 1 cipient during the encounter; and
- 2 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the psy-
- 3 chologist is directly employed;
- 4 5. A licensed professional clinical counselor:
- 5 a. Who is directly employed by a psychiatrist; and
- 6 b. If:
- 7 (i) The psychiatrist by whom the licensed professional clinical counselor is directly employed
- 8 also interacts with the recipient during the encounter; and
- 9 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-
- 10 censed professional clinical counselor is directly employed;
- 11 6. A licensed clinical social worker:
- 12 a. Who is directly employed by a psychiatrist; and
- 13 b. If:
- (i) The psychiatrist by whom the licensed clinical social worker is directly employed also in-
- 15 teracts with the recipient during the encounter; and
- 16 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-
- 17 censed clinical social worker is directly employed; or
- 7. A licensed marriage and family therapist:
- 19 a. Who is directly employed by a psychiatrist; and
- 20 b. If:
- 21 (i) The psychiatrist by whom the licensed marriage and family therapist is directly employed
- 22 also interacts with the recipient during the encounter; and
- 23 (ii) The telehealth consultation is billed under the NPI of the psychiatrist by whom the li-

- 1 censed marriage and family therapist is directly employed;
- 2 (f) Individual medical nutrition therapy consultation services provided by a:
- 3 1. Licensed-dietitian:
- 4 a. Who is directly employed by a physician, federally qualified health care center, rural health
- 5 clinic, primary care center, a hospital's outpatient department, or the Department for Public
- 6 Health; and
- 7 b. If the telehealth consultation is billed under the:
- 8 (i) NPI of the physician, federally qualified health-care center, rural health clinic, hospital's
- 9 outpatient department, or primary care center by whom the licensed dietitian is directly em-
- 10 ployed; or
- 11 (ii) Department for Public Health if the licensed dietitian works for the Department for Public
- 12 Health; or
- 13 2. Certified nutritionist:
- a. Who is directly employed by a physician, federally qualified health care center, rural health
- 15 clinic, primary care center, a hospital's outpatient department, or the Department for Public
- 16 Health; and
- b. If the telehealth consultation is billed under the:
- 18 (i) NPI of the physician, federally qualified health care center, rural health clinic, hospital's
- 19 outpatient department, or primary care center by whom the certified nutritionist is directly em-
- 20 ployed; or
- 21 (ii) Department for Public Health if the certified nutritionist works for the Department for
- 22 Public Health;
- 23 (g) Individual diabetes self-management training consultation if:

- 1 1. Ordered by a:
- 2 a. Physician;
- 3 b. APRN directly employed by a physician; or
- 4 c. Physician assistant directly employed by a physician;
- 5 2. Provided by a:
- 6 a. Physician;
- 7 b. APRN-directly employed by a physician;
- 8 c. Physician assistant directly employed by a physician;
- 9 d. Registered nurse directly employed by a physician; or
- e. Licensed dietitian directly employed by a physician, federally qualified health care center,
- 11 rural health clinic, primary care center, a hospital's outpatient department, or the Department for
- 12 Public Health; and
- 3. The telehealth consultation is billed under the:
- a. NPI of the physician, federally qualified health care center, rural health clinic, hospital's
- 15 outpatient department, or primary care center by whom the provider is directly employed; or
- b. Department for Public Health if the provider works for the Department for Public Health;
- 17 (h) An occupational therapy evaluation or treatment provided by an occupational therapist
- 18 who is directly employed by a physician:
- 19 1. If direct physician contact occurs during the evaluation;
- 20 2. If the telehealth consultation is billed under the physician's NPI; and
- 3. In accordance with the limits established in 907 KAR 3:005;
- 22 (i) An occupational therapy evaluation or treatment provided by an occupational therapist
- 23 who is directly employed by or is an agent of a nursing facility:

- 1. If the telehealth consultation is billed under the nursing facility's NPI; and
- 2 2. In accordance with the limits established in 907 KAR-1:065;
- 3 (j) An occupational therapy evaluation or treatment provided by an occupational therapist
- 4 who is directly employed by or is an agent of a home health agency:
- 5 1. If the telehealth consultation is billed under the home health agency's NPI; and
- 6 2. In accordance with the limits established in 907 KAR 1:030:
- 7 (k) A physical therapy evaluation or treatment provided by a physical therapist who is directly
- 8 employed by a physician:
- 9 1. If direct physician contact occurs during the evaluation;
- 2. If the telehealth consultation is billed under the physician's NPI; and
- 3. In accordance with the limits established in 907-KAR 3:005;
- 12 (1) A physical therapy evaluation or treatment provided by a physical therapist who is directly
- employed by or is an agent of a hospital's outpatient department:
- 14 1. If the telehealth consultation is billed under the hospital's outpatient department's NPI; and
- 2. In accordance with the limits established in 907 KAR 10:014;
- 16 (m) A physical therapy evaluation or treatment provided by a physical therapist who is direct-
- 17 ly employed by or is an agent of a home health agency:
- 18 1. If the telehealth consultation is billed under the home health agency's NPI; and
- 2. In accordance with the limits established in 907-KAR 1:030;
- 20 (n) A physical therapy evaluation or treatment provided by a physical therapist who is directly
- 21 employed by or is an agent of a nursing facility:
- 22 1. If the telehealth consultation is billed under the nursing facility's NPI; and
- 23 2. In accordance with the limits established in 907 KAR 1:065:

- 1 (o) A speech therapy evaluation or treatment provided by a speech-language pathologist who
- 2 is directly employed by a physician:
- 3 1. If direct physician contact occurs during the evaluation or treatment;
- 4 2. If the telehealth consultation is billed under the physician's NPI; and
- 5 3. In accordance with the limits established in 907 KAR 3:005;
- 6 (p) A speech therapy evaluation or treatment provided by a speech-language pathologist who
- 7 is directly employed by or is an agent of a hospital's outpatient department:
- 8 1. If the telehealth consultation is billed under the hospital's outpatient department's NPI; and
- 9 2. In accordance with the limits established in 907 KAR 10:014;
- 10 (q) A speech therapy evaluation or treatment provided by a speech language pathologist who
- is directly employed by or is an agent of a home health agency:
- 12 1. If the telehealth consultation is billed under the home health agency's NPI; and
- 2: In accordance with the limits established in 907 KAR 1:030;
- 14 (r) A speech therapy evaluation or treatment provided by a speech-language pathologist who
- is directly employed by or is an agent of a nursing facility:
- 16 1. If the telehealth consultation is billed under the nursing facility's NPI; and
- 2. In accordance with the limits established in 907 KAR 1:065;
- 18 (s) A neurobehavioral status examination provided by:
- 19 1. A-psychiatrist;
- 20 2. A physician in accordance with the limit established in 907 KAR 3:005; or
- 21 3. A psychologist:
- 22 a. With a license in accordance with KRS 319.010(6);
- b. With a doctorate degree in psychology; and

- c. Who is directly employed by a physician or a psychiatrist:
- 2 (i) In accordance with the limits established in 907 KAR 3:005;
- 3 (ii) If the physician or psychiatrist by whom the psychologist is directly employed also inter-
- 4 acts with the recipient during the encounter; and
- 5 (iii) If the telehealth consultation is billed under the NPI of the physician or psychiatrist by
- 6 whom the psychologist is directly employed; or
- 7 (t) End-stage renal-disease monitoring, assessment, or counseling consultations for a home-di-
- 8 alysis recipient provided by:
- 9 1. A physician directly employed by a hospital's outpatient department if the telehealth con-
- sultation is billed under the hospital's outpatient department's NPI; or
- 2. An APRN directly employed by a hospital's outpatient department if the telehealth consul-
- 12 tation is billed under the hospital's outpatient department's NPI.
- Section 4. Telehealth-Consultation-Coverage in a Community Mental Health Center. (1) The
- 14 policies in this section shall apply to a tele-health consultation provided via a community mental
- 15 health center.
- 16 (2) The limits, restrictions, exclusions, or policies:
- 17 (a) Which apply to a service provided face to face in a community mental health center shall
- 18 apply to a telehealth consultation or service provided via telehealth via a community mental
- 19 health center; and
- 20 (b) Established in 907 KAR 1:044 shall apply to a telehealth consultation or service provided
- 21 via:
- 22 1. Telehealth; and
- 23 2. A community mental health center.

- 1 (3) The department shall not reimburse for a telehealth consultation provided via a community
- 2 mental health center if:
- 3 (a) The consultation is not billed under the community mental health center's national provid-
- 4 er identifier; or
- 5 (b) The person who delivers the telehealth consultation is not:
- 6 1. Directly employed by the community mental health center; or
- 7 2. An agent of the community mental health center.
- 8 (4) The following telehealth consultations provided via a community mental health center
- 9 shall be covered by the department as follows:
- 10 (a) A psychiatric diagnostic interview examination provided:
- 1. In accordance with 907 KAR 1:044; and
- 12 2. By:
- 13 a. A psychiatrist; or
- 14 b. An APRN who:
- 15 (i) Is certified in the practice of psychiatric mental health nursing; and
- (ii) Meets the requirements established in 201 KAR 20:057;
- 17 (b) A psychological diagnostic interview examination provided:
- 18 1. In accordance with 907 KAR 1:044; and
- 19 2. By:
- 20 a. A psychiatrist; or
- b. A psychologist with a license in accordance with KRS 319.010(6);
- 22 (c) Pharmacologic management provided:
- 23 1. In accordance with 907 KAR 1:044; and

- 1 2. By:
- 2 a. A physician;
- 3 b. A-psychiatrist; or
- 4 c. An APRN who:
- 5 (i) Is certified in the practice of psychiatric mental health nursing; and
- 6 (ii) Meets the requirements established in 201 KAR 20:057;
- 7 (d) Group psychotherapy provided:
- 8 1. In accordance with 907 KAR 1:044; and
- 9 2. By:
- 10 a. A psychiatrist;
- b. A psychologist with a license in accordance with KRS-319.010(6);
- 12 c. A licensed-professional clinical counselor;
- 13 d. A licensed marriage and family therapist;
- e. A licensed clinical-social worker;
- 15 f. A psychiatric registered nurse; or
- 16 g. An APRN who:
- 17 (i) Is certified in the practice of psychiatric mental health nursing; and
- (ii) Meets the requirements established in 201-KAR 20:057;
- 19 (e) Mental health evaluation or management emergency services provided:
- 20 1. In accordance with 907 KAR 1:044; and
- 21 2. By:
- 22 a. A psychiatrist;
- b. A psychologist with a license in accordance with KRS 319.010(6);

- 1 c. A licensed professional clinical counselor;
- 2 d. A licensed marriage and family therapist;
- 3 e. A licensed clinical social worker;
- 4 f. A psychiatric medical resident;
- 5 g. A psychiatric registered nurse; or
- 6 h. An APRN who:
- 7 (i) Is certified in the practice of psychiatric mental health nursing; and
- 8 (ii) Meets the requirements established in 201 KAR 20:057;
- 9 (f) A mental health assessment provided:
- 10 1. In accordance with 907 KAR 1:044; and
- 2. By a psychologist with a license in accordance with KRS 319.010(6); or
- 12 (g) Individual psychotherapy provided:
- 13 1. In accordance with 907 KAR-1:044 except that "face to face" shall include two (2) way in-
- 14 teractive video for the purposes of individual psychotherapy provided via a community mental
- 15 health-center; and
- 16 2. By:
- 17 a. A psychiatrist;
- b. A psychologist with a license in accordance with KRS-319.010(6);
- 19 c. A licensed professional clinical counselor;
- 20 d. A licensed marriage and family therapist;
- 21 e. A licensed clinical social worker;
- 22 f. A psychiatric registered nurse; or
- 23 g. An APRN who:

- 1 (i) Is certified in the practice of psychiatric mental health nursing; and
- 2 (ii) Meets the requirements established in 201 KAR 20:057.
- 3 (5) If a provision established in 907 KAR 1:044 or the material incorporated by reference into
- 4 907 KAR 1:044 is in contrast with subsection (4)(g)1. of this section, the policy established in
- 5 subsection (4)(g)1 of this section shall supersede the contrary statement.
- 6 Section 5. Reimbursement. (1)(a) The department shall reimburse a telehealth provider who is
- 7 eligible for reimbursement from the department for a telehealth consultation an amount equal to
- 8 the amount paid for a comparable in person service in accordance with:
- 9 1. 907 KAR 3:010 if the service was provided:
- 10 a. By a physician; and
- b. Not in the circumstances described in subparagraphs 3., 4., 5., or 6. of this paragraph;
- 12 2. 907 KAR-1:104 if the service was provided:
- a. By an advanced practice registered nurse; and
- b. Not in the circumstances described in subparagraphs 3., 4., 5., or 6. of this paragraph;
- 3. 907 KAR 1:055 if the service was provided and billed through a federally-qualified health
- center, federally-qualified health center look-alike, rural health clinic, or primary care center;
- 4. 907 KAR-10:015 if the service was provided and billed through a hospital outpatient de-
- 18 partment;
- 19 5. 907 KAR 1:031 if the service was provided and billed through a home health agency; or
- 20 6. 907 KAR 1:065 if the service was provided and billed through a nursing facility.
- 21 (b)1. Reimbursement for a telehealth consultation provided by a practitioner who is employed
- by a provider or is an agent of a provider shall be a matter between the provider and the practi-
- 23 tioner

- 2. The department shall not be liable for reimbursing a practitioner who is employed by a pro-
- 2 vider or is an agent of a provider.
- 3 (c) A managed care organization shall not be required to reimburse the same amount for a
- 4 telehealth consultation as the department reimburses, but may reimburse the same amount as the
- 5 department reimburses if the managed care organization chooses to do so.
- 6 (2) A telehealth provider shall bill for a telehealth consultation using the appropriate two (2)
- 7 letter "GT" modifier.
- 8 (3) The department-shall not require the presence of a health care provider requesting a tele-
- 9 health consultation at the time of the telehealth consultation unless it is requested by a telehealth
- 10 provider or telehealth practitioner at the hub site.
- 11 (4) The department shall not reimburse for transmission costs.
- 12 Section 6. Confidentiality and Data-Integrity. (1) A telehealth consultation shall be performed
- on a secure telecommunications line or utilize a method of encryption adequate to protect the
- 14 confidentiality and integrity of the telehealth consultation information.
- 15 (2) Both a hub-site and a spoke site-shall use authentication and identification to ensure the
- 16 confidentiality of a telehealth consultation.
- 17 (3) A telehealth provider or telehealth practitioner of a telehealth consultation shall implement
- 18 confidentiality protocols that include:
- 19 (a) Identifying personnel who have access to a telehealth transmission;
- 20 (b) Usage of unique passwords or identifiers for each employee or person with access to a
- 21 telehealth transmission; and
- 22 (c) Preventing unauthorized access to a telehealth transmission.
- 23 (4) A telehealth provider's or telehealth practitioner's protocols and guidelines shall be availa-

- 1 ble for inspection by the department upon request.
- Section 7. Informed Consent. (1) Before providing a telehealth consultation to a recipient, a
- 3 telehealth provider or telehealth practitioner shall document written informed consent from the
- 4 recipient and shall ensure that the following written information is provided to the recipient in a
- 5 format and manner that the recipient is able to understand:
- 6 (a) The recipient shall have the option to refuse the telehealth consultation at any time without
- 7 affecting the right to future care or treatment and without risking the loss or withdrawal of a
- 8 Medicaid benefit to which the recipient is entitled;
- 9 (b) The recipient shall be informed of alternatives to the telehealth consultation that are avail-
- 10 able to the recipient;
- (c) The recipient shall have access to medical information resulting from the telehealth con-
- 12 sultation as provided by law;
- 13 (d) The dissemination, storage, or retention of an identifiable recipient image or other infor-
- mation-from the telehealth consultation shall comply with 42 U.S.C. 1301 et seq., 45 C.F.R.
- 15 Parts 160, 162, 164, KRS 205.566, 216.2927, and any other federal law or regulation or state law
- 16 establishing individual health care data confidentiality policies;
- 17 (e) The recipient shall have the right to be informed of the parties who will be present at the
- 18 spoke-site and the hub site during the telehealth consultation and shall have the right to exclude
- 19 anyone from either site; and
- 20 (f) The recipient shall have the right to object to the video taping of a telehealth consultation.
- 21 (2) A copy of the signed informed consent shall be retained in the recipient's medical record
- 22 and provided to the recipient or the recipient's legally-authorized representative upon request.
- 23 (3) The requirement to obtain informed consent before providing a telehealth consultation

- shall not apply to an emergency situation if the recipient is unable to provide informed consent
- 2 and the recipient's legally-authorized representative is unavailable.
- 3 Section 4.[8.] Medical Records. (1) [A request for a telehealth consultation from a health care
- 4 provider and the medical necessity for the telehealth consultation shall be documented in the re-
- 5 cipient's medical record.
- 6 (2) A health care provider shall keep a complete medical record of a telehealth consultation
- 7 provided to a recipient and follow applicable state and federal statutes and regulations for medi-
- 8 cal recordkeeping and confidentiality in accordance with KRS 194A.060, 422.317, 434.840
- 9 434.860, 42 C.F.R. 431.300 to 431.307, and 45 C.F.R. 164.530(j).
- 10 (3)(a)] A medical record of a telehealth <u>service[consultation]</u> shall be maintained in compli-
- ance with 907 KAR 1:672 and 45 C.F.R. 164.530(j).
- 12 (2)[(b)] A health care provider shall have the capability of generating a hard copy of a medi-
- cal record of a telehealth <u>service</u>[consultation].
- 14 [(4) Documentation of a telehealth consultation by the referring health care provider shall be
- included in the recipient's medical record and shall include:
- 16 (a) The diagnosis and treatment plan resulting from the telehealth consultation and a progress
- 17 note by the referring health care provider if present at the spoke site during the telehealth consul-
- 18 tation;
- 19 (b) The location of the hub site and spoke site;
- 20 (c) A copy of the document signed by the recipient indicating the recipient's informed consent
- 21 to the telehealth consultation;
- 22 (d) Documentation supporting the medical necessity of the telehealth consultation; and
- 23 (e) The referral order and complete information from the referring health care provider who

- 1 requested the telehealth consultation for the recipient.
- 2 (5)(a) A telehealth provider's or telehealth practitioner's diagnosis and recommendations re-
- 3 sulting from a telehealth consultation shall be documented in the recipient's medical record at the
- 4 office of the health care provider who requested the telehealth consultation.
- 5 (b) Except as established in paragraph (c) of this subsection, a telehealth provider or telehealth
- 6 practitioner shall send a written report regarding a telehealth consultation within thirty (30) days
- 7 of the consultation to the referring health care provider.
- 8 (c) If a community mental health center was the referring health-care provider and the provid-
- 9 er of the telehealth consultation for a recipient, the requirement in paragraph (b) of this subsec-
- 10 tion shall not apply.
- Section 5[9]. Federal Financial Participation. A policy established in this administrative regu-
- lation shall be null and void if the Centers for Medicare and Medicaid Services:
- 13 (1) Denies federal financial participation for the policy; or
- 14 (2) Disapproves the policy.
- Section 6[10]. Appeal Rights. (1) An appeal of a department determination regarding a Medi-
- caid beneficiary shall be in accordance with 907 KAR 1:563.
- 17 (2) An appeal of a department determination regarding Medicaid eligibility of an individual
- shall be in accordance with 907 KAR 1:560.
- 19 (3) A provider may appeal a department-written determination as to the application of this
- administrative regulation in accordance with 907 KAR 1:671.
- 21 (4) An appeal of a managed care organization's determination regarding a Medicaid benefi-
- 22 <u>ciary shall be in accordance with 907 KAR 17:010.</u>
- Section 7. Delayed Implementation Date. The provisions of this administrative regulation

shall be implemented beginning July 1, 2019.

907 KAR 3:170

REVIEWED:

4/29/19 Date

Carol H. Steckel, Commissioner Department for Medicaid Services

APPROVED:

6/11/2019

Adam M. Meier, Secretary
Cabinet for Health and Family Services

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation #: 907 KAR 3:170E

Cabinet for Health and Family Services

Department for Medicaid Services

Agency Contact Persons: Jonathan Scott, (502) 564-4321, ext. 2015, jonathant.scott@ky.gov; and Chase Coffey, (502) 564-6746, CHFSRegs@ky.gov

(1) Provide a brief summary of:

- (a) What this administrative regulation does: This administrative regulation establishes Department for Medicaid Services (DMS) policies relating to telehealth. The coverage policies in this administrative regulation apply to a managed care organization's (MCO's) coverage of Medicaid services for individuals enrolled in the MCO for the purpose of receiving Medicaid or Kentucky Children's Health Insurance Program services. An MCO is only required to reimburse according to this administrative regulation depending on the rates negotiated with providers.
- (b) The necessity of this administrative regulation: This administrative regulation is necessary to establish DMS policies relating to telehealth in accordance with KRS 194A.125 and KRS 205.559.
- (c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the content of the authorizing statutes by establishing DMS telehealth policies.
- (d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing DMS telehealth policies.
- (2) If this is an amendment to an existing administrative regulation, provide a brief summary of:
 - (a) How the amendment will change this existing administrative regulation: The amendments to this administrative regulation provide new definitions for "telehealth", "telehealth service", "place of service", and "telehealth care provider". A new section relates to telehealth reimbursement. The administrative regulation is amended to allow for telehealth reimbursement of at least 100% of the amount paid for a comparable inperson service. The administrative regulation also requires cost-sharing for a telehealth service. Providers are required to appropriately denote telehealth services, and to document them in the patient's medical record. The administrative regulation also clarifies that referral requirements are the same as for face-to-face (non-telehealth) services. In addition, many of the previous provisions are being deleted. Lastly, changes to comply with the drafting and formatting requirements of KRS Chapter 13A have also been made.
 - (b) The necessity of the amendment to this administrative regulation: The amendment is necessary to ensure that policies stated in the administrative regulation are consistent with policies approved by CMS for federal funding. In addition, these amendments incorporate changes made by 2018's SB 112.

- (c) How the amendment conforms to the content of the authorizing statutes: The amendment conforms to the content of the authorizing statutes by complying with KRS 205.559 and conforming the administrative regulation's policies to those approved by CMS, ensuring federal funding for the policies. In addition, these amendments incorporate changes made by 2018's SB 112.
- (d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the authorizing statutes by conforming the administrative regulation's policies to those approved by CMS, ensuring federal funding for the policies. In addition, these amendments incorporate changes made by 2018's SB 112.
- (3) List the type and number of individuals, businesses, organizations, or state and local government affected by this administrative regulation: The Department for Medicaid Services, MCOs, any enrolled and credentialed provider who could provide appropriate telehealth services, and Medicaid members who may access telehealth services. The number of providers who will provide telehealth services and the number of Medicaid members who will access telehealth services is not known and cannot be predicted.
- (4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:
 - (a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: To be reimbursed for a telehealth service, a provider will have to comply with the policies and requirements established in this administrative regulation. Participation is optional, not mandatory.
 - (b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3). No cost is imposed on the entities regulated by the administrative regulation as participation is optional.
 - (c) As a result of compliance, what benefits will accrue to the entities identified in question (3). Those who opt to perform telehealth services in compliance with this administrative regulation will be reimbursed for services rendered.
- (5) Provide an estimate of how much it will cost to implement this administrative regulation:
 - (a) Initially: The department anticipates that it will incur no additional expenses in the implementation of these amendments in the first year of operation.
 - (b) On a continuing basis: The department anticipates that it will incur no additional expenses in implementing these amendments on a continuing basis.
- (6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The sources of revenue to be used for implementation and enforcement of this administrative regulation are federal funds authorized under the Social Security Act, Title XIX and matching funds of general fund appropriations.

- (7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Neither an increase in fees nor funding will be necessary to implement this administrative regulation.
- (8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation neither establishes nor increases any fees.
- (9) Tiering: Is tiering applied? (Explain why tiering was or was not used) Tiering was not applied as telehealth service standards are applied equally to all affected individuals.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Administrative Regulation Number: 907 KAR 3:170E Agency Contact Persons: Jonathan Scott, (502) 564-4321, ext. 2015, jonathant.scott@ky.gov; and Chase Coffey, (502) 564-6746, CHFSRegs@ky.gov

- 1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department for Medicaid Services (DMS) will be impacted by the amendment.
- 2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. This amendment is authorized by KRS 194A.010, 194A.030(2), 194A.125, 205.520(3), 205.559
- 3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.
 - (a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? The amendment is not expected to generate revenue for state or local government.
 - (b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? The amendment is not expected to generate revenue for state or local government.
 - (c) How much will it cost to administer this program for the first year? The department anticipates no additional costs in administering these amendments in the first year.
 - (d) How much will it cost to administer this program for subsequent years? The department anticipates no additional costs in administering these amendments in subsequent years.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation:

FEDERAL MANDATE ANALYSIS COMPARISON

Administrative Regulation #: 907 KAR 3:170E Agency Contact Persons: Jonathan Scott, (502) 564-4321, ext. 2015, jonathant.scott@ky.gov; or Chase Coffey, (502) 564-6746, CHFSRegs@ky.gov.

- 1. Federal statute or regulation constituting the federal mandate. 42 C.F.R. 431.300-431.307, 440.50.
- 2. State compliance standards. KRS 205.559, 205.5591 and 205.560 require DMS to expand telehealth services and policies to ensure proper use and security and promote access to health care.
- 3. Minimum or uniform standards contained in the federal mandate. The federal requirements in 42 C.F.R. 431-300-431.307 establish requirements relating to the safeguarding of electronic health information. 42 C.F.R. 440.50 allow for the provision of telehealth by providers within the Medicaid program.
- 4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate? The administrative regulation does not impose stricter than federal requirements.
- 5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. The administrative regulation does not impose stricter than federal requirements.